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Foundations

January 23, 1948

Dear Mrs. Carson:

Though it will make an appallingly long letter, the collection of queries, comments and impressions which might in some way be useful to you will have so little orderly structure that they might as well go into a letter as any other way. Certainly I have no thesis to prove, no leit motif, no main argument to support. Indeed if some of the suggestions given serve merely as stepladders that help you to hang your pictures, they will have served a reasonable purpose as well as providing me with the fun of trying to put them together.

The most interesting way to look at the history of the GIB and the RF, especially in their formative periods, is to view them as criticisms of, or reactions to, the then contemporary scene. Behind action lies purpose, behind purpose lie values, and, as Oscar Wilde remarked "All criticism is a kind of autobiography." But before going further in exploring foundations as an interesting form of criticism, it may be well to note what were the only available antecedents on which they could be modeled.

Denominational charity in the United States had for a hundred years or more reached out toward schools and hospitals as the best way of serving the community and at the same time making merit for the denomination. When the fortunes of some individuals at the beginning of the 20th Century far surpassed what their long practiced frugality allowed them to spend on themselves, and when these millionaires would have developed a distressing retinue of personal dependents, if that had appealed to them, their administrative experience suggested the organization of an ad hoc group of persons to spend large sums of money. Without other successful examples they followed the lines of denominational charity. But a new element was added from the business experience and administrative sagacity of these men who had made the money they were now planning to give: they were going to get their money's worth. That was a significant change: instead of taking the worthiness of the project and the high mindedness of the recipient for granted and then concentrating on how much could be spared, they concentrated attention on the question of the ability of the recipient (including the soundness of his ideas and the likelihood of his success) and assumed that the amount to be given was to be governed more by the project's needs than by the donor's financial limitations. That seems to me to have been something of a landmark in American philanthropy - that new emphasis upon the skill, the economy, the efficiency of philan-

thropic spending. The very size of the new foundations called for responsible, skilled specialists in the business of giving. Almost a whole chapter could be devoted to the tactics of philanthropy introduced by the IHD and DMS, the annual reports, the budgeting of projects, the use of auditing and meticulous financial control, and the constant legal supervision of forms of commitment and appropriation. If this emphasis was not entirely new it was conspicuous enough to seem new, or new enough to be conspicuous.

Two other factors influenced the way in which these large reserves of wealth were to be spent. J.D.S. lived during a period of rapid and countless optimism and growth in the United States. He saw opportunities on a continental and even on a world scale. It was an age when big ideas paid big dividends, provided such bold ideas were pursued with close attention to detail. Indeed so characteristically were big ideas welcomed by the Boards that a slang term was invented in the office to correct the defect of that virtue and control the grandiose, the vague, and the all-inclusive type of project. Such projects were called "SCOPEY" and thus condemned. The other factor in pay was the searchlight of publicity, operated in behalf of, and often directly by, those who feared the power of great wealth. It is probable that in a constant awareness of this publicity, fear and mistrust the early trustees preferred to aid education and medicine rather than go very far in more controversial fields. Education and medicine held values not likely to be disputed by a society already accustomed to closely similar denominational philanthropies.

But the extent to which these comments on the formative influences are valid is of less interest than some questions I'd like to raise. If what the Boards did may be taken as their criticism of the society of that time what kind of criticism was it? Was it criticism based on distress at the manifest inequality of education and health in different parts of the country and the world? Much of the GEB's interest in the South and in the Negro seems to have been just that. Was it criticism based on dissatisfaction with the best because it was not good enough? How much did the early actions of either Board have in common with Talleyrand's comment upon a certain form of education, "it is the best that I have seen and it is abominable." How many of either Board's programs could be called reform or revolutionary in purpose? Were they content with helping what was good or were they out to attack what they thought bad? Were any of them reactionary attempts to counteract undesirable social trends? Did any set out to give deliberately a new trend or a new set of values to contemporary society? I suspect that some of the activities which Mr. Rose based on the idea of partnership between the Rockefeller Boards and the governments of countries, states, and the nation were in large measure a new trend, deliberately set. When did the Boards discover the very method itself of discovery - research? And how much time elapsed before support to research became an acknowledged objective of either Board? The GEB officers were realists but it seems to me curious that for so long they

ignored the quintessence of realism which is research. Here they so preoccupied by the inequalities of educational opportunity that they failed to give adequate attention to its quality? Did Buttrick's extraordinary flair for what was "do-able" obscure his vision of what research could make "do-able"?

After all, what a group of men will do with unprecedentedly large sums of money put at their disposal will depend not only on the state of society around them at the time but on what kind of men they were, their experience, and so their values and purposes. How representative of their times were the officers and trustees of either Board? Did they have much historical perspective? There were no historians on the Board (I think). There were no engineers. There were ministers, college presidents, teachers, lawyers, bankers, and doctors of medicine. Among the officers none, I think, except A. Flexner had had any appreciable exposure to anything but an American background. Flexner could speak German but none of the other senior officers of either Board could speak any other language than English nor was anyone of them in the least at home in another culture or with other values than those of his own country. A. Flexner insisted that they were poorly prepared for world-wide work. But inasmuch as foundations were new no training could have been expected for their personnel. Most of the officers of the RF had been university professors but they seemed to me to be either disdainful or supercilious about the quality of American academic management and as I have later realized very considerably ignorant of any other forms of education "throughout the world". And yet narrow as had been their experience and inadequate as was their training probably nowhere else in the world was there any group of men inclined and enabled to take as many and as varied lessons in world citizenship.

How did they work together? Where did the ideas come from? What was the flavor of their working hours? Why did they so generally evade the task of training younger men? Was it the press of request, of interviews, of making up for absences on surveys that kept us all so busy, so hurried, so nearly unable to arrive at a well-thought-out set of values and procedure? Or was it inevitable that a group of men, each accustomed to being a leader, found difficulty in forming an effective organization in the absence of a single leader who was in point of mind and forcefulness facile princeps? These are questions I don't believe I can answer. It is easier to point to certain characteristics of the Boards' work.

To begin with some of the less satisfactory items there were three or four characteristics which seemed to me to be almost neurotic, so passionately did they ignore the realities. One was the fear of building up any kind of tradition. Any organization, even twenty years old, has tradition. The struggle against tradition has its good side but if you don't know what an organization is going to do, recruitment of personnel lacks a sound criterion for selection.

I have never seen any evidence that the trustees of either Board explicitly faced the problem of recruitment of staff. They neither favored nor discouraged the idea of training future presidents or directors of divisions. The result was that when Buttrick, Rose, Flexner, and Vincent retired there were no successors of equal quality and even approximate training to succeed them. Now when J. B. Duke asked Watson of the British American Tobacco Company whether he had anyone in China good enough to succeed him Watson said he had three, any one of whom could take over effectively. Duke replied "Good! You stay and your salary is tripled from now on." He had none of that kind of foresight. The failure to look ahead resulted in the hasty search and appointment of Vincent's successor, and in the GEE the promotion of Arnett to a post painfully beyond his abilities. Plenty of appointments have been made of assistants who were not inherently capable of advancement, and this procedure derived from a strange aversion to think of anything in the organization as continuing. Together with this failure to insist on high quality of recruits was a considerable fear of making those who were chosen "too dependent" on their jobs. The cheap device of yearly appointments, and the very expensive practice of "generous settlements" for those who were dropped appear to be the price tags of neurotic unwillingness to face the fact that really good foundation officers can be found and trained if there is some reasonable permanence to their job. The end result was in too many instances an atmosphere of very mediocrity.

Anyone familiar with Lloyd Warner's class structure theory of American society would be likely to place the values and motivations of both Boards as being characteristic of the American upper middle class. Fear of blame, uneasiness lest there be charges of luxurious expense accounts, a driving passion for self-justification, and a passionate pleasure in approval as well as anonymity, are reminiscent of the class that feels happier in conscientious following of the styles than in confidently setting them. Compare this "upper middle-class" flavor of the Rockefeller Boards with the "lower upper-class" Carnegie and I think you will conclude that the main advantage in making the comparison is an ensuing candor and reassurance. Why set out to be anything other than what we are?

In the earlier days there was a livelier sense of the danger of backing controversial issues than there is now. There is more public approval too. For several years regularly there was brought into the State Legislature at Albany a bill to investigate the Rockefeller Foundation. The effect seemed to me to create a sort of mildly resentful scrupulosity -- an atmosphere that gave the Foundation much in common with Caesar's wife. So averse to controversy was Vincent that in the twenties items were withdrawn hurriedly by the officers rather than risk a divided vote, especially if the opposer was Simon Flexner.

Of course what I have described as neurotic traits may be explained as the results of the way business men are prone to regard and control scholars -- pick them hastily, fire them if they don't

deliver, assume that insecurity is in the long run what will make them work hardest, pay off the discontents, "reorganize" whenever it seems desirable and don't forget who gave the money. Certainly with second-rate personnel there is much to be said for this point of view but with first-raters such attitudes made one wince.

Well, enough of the pathological. Let us turn to the more heartening characteristics of the Rockefeller Boards. I'd like to see attention drawn to the largeness of their ideas, to their patient tenacity, to their steadfast honor in meeting their promises, to the care with which they studied situations before acting. They nearly always began the examination of a project with the question, "How good is it?" and not "How much would it cost?" Their policy of giving credit away to others proved wise as well as decent. Despite differences between certain officers in point of values, purposes and temperament, there was astonishingly less power-hunting and rivalry than might have been expected. I have seen only one trustees' meeting where decorum was in short supply and in twenty-five only three officers of any importance of whose conduct I was ashamed.

In the GEB there were two divergent currents. Buttrick was the encourager of what to his shrewd judgment seemed good in education of any kind. Under his influence alone I think the GEB would have been quite prepared to accept the current best in American schools and colleges and then to spend its efforts in bringing the handicapped South and the bewildered Negroes up to the levels of the North. In contrast, Flexner's influence was that of a reformer who challenged the existent best because it was not good enough. He was insistent and fearless in using his Board's power and money to reform medical education radically.

In the RF Vincent was, like Buttrick, the encourager and the supporter of what was good. He believed in fair play, in variety, and in voluntary agencies. He was beautifully qualified to be the popularizer of the Foundation's essential good will and desire for the welfare of mankind. Rose, on the other hand, wished to get work done by his own staff as an example to governments and a collaborator with them. Vincent was skeptical of systems, dogma and formulas. Rose believed in building an organization according to some very clear formulas and he succeeded in showing how much could be done by applying his dogmatic convictions. As a result the IRD was an extraordinary pioneer in showing how valuable was the application of knowledge already available in the universities but not yet used by governments. Not until 1929 did the importance of research come into the true focus of the Boards' attention — a rather extraordinary delay which would take long to explain.

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I hope at least some of these points will be useful. Doing

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this has shown me how much larger a theme the whole history could be than is apparent at first reflection.

Yours sincerely,

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ALAN GREGG

AG:RE

P.S. I hope that the idea of a foundation as a form of criticism of its times is clear. Strategy is the art of choosing when and on what you will engage your strength; whereas tactics is the skill, the economy, the speed and the grace with which you attain the objectives set by strategy. In these terms it is interesting that the GEB and the RF have made apparently as much of a contribution by their methods of spending money (tactics) as by their selection of objectives (strategy). Their tactical successes began almost immediately. Their strategical history has been more complicated. At the outset it was intuitive, fumbling, imitative and at times conflicting. It has continued, in response to very great changes in the world since 1913, to vary. Essentially the decision of when and on what to engage your strength depends on your views and your values -- and in this sense policies adopted are criticisms at work. Perhaps the chief interest of the foundations is that they were so singularly free to be critical. They had no students to teach and no electorate to please. Yet the challenging availability of large resources imposed strategical decisions. They were freer than governments and freer than universities. If I am right in thinking that the Boards have steadily run away from the problems of renewing their own personnel then that phase of their critical function in society -- namely their continuity -- was from the start the principal unsolved problem before them -- unsolved mostly because unfaced.

A.G.

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